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LAW OFFICES

ROSS & HARDIES

RECORDATION NO. 10630 PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

150 NORTH MICHIGAN AVENUE

TWX NUMBER
910-221-1154

NOV 28 1989 -2 45 PM

CHICAGO, ILLINOIS 60601-7567

TELECOPIER
312-750-8600

INTERSTATE COMMERCE COMMISSION

312-558-1000

RECORDATION NO. 10630 FILED 1425

NOV 28 1989 -2 45 PM

November 28, 1989

INTERSTATE COMMERCE COMMISSION

529 FIFTH AVENUE
NEW YORK, NEW YORK 10017-4608
212-949-7075

580 HOWARD AVENUE
SOMERSET, NEW JERSEY 08875-6739
201-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

RECORDATION NO. 10630 FILED 1425

NOV 28 1989 -2 45 PM

INTERSTATE COMMERCE COMMISSION

9-332A057

Mrs. Noreta R. McGee
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two originals and two photocopied conformed counterparts of each of the two documents described below.

The first document is a Railroad Equipment Lease (the "Lease"), dated as of September 1, 1989, between U.S. Railcar, Inc. ("Lessor") and CSX Transportation, Inc. ("Lessee").

The names and addresses of the parties to the Lease are:

Lessor
U.S. Railcar, Inc.
2333 Waukegan Road
Suite N200
Deerfield, Illinois 60015

Lessee
CSX Transportation, Inc.
100 North Charles Street
Baltimore, Maryland 21201

A description of the railroad equipment covered by the Lease is set forth in Schedule 1 attached thereto.

A check for \$15.00 payable to the order of the Interstate Commerce Commission is enclosed to cover the required recordation fee of the Lease.

Ernie E. Ross
Ernie E. Ross

Ms. Noreta R. McGee
November 28, 1989
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The second document is an Assignment and Security Agreement (Non-Recourse), dated as of September 1, 1989, together with Rider to Assignment and Security Agreement (Non-Recourse) Agreement dated as of November 22, 1989, between the Lessor, as debtor (the "Debtor") and Deutsche Credit Corporation (the "Secured Creditor"), (collectively, the "Security Agreement"). The Security Agreement should be filed concurrently with the Lease, the primary document to which it relates.

The names and addresses of the parties to the Security Agreement are:

Debtor
U.S. Railcar, Inc.
2333 Waukegan Road
Suite N200
Deerfield, Illinois 60015

Secured Creditor
Deutsche Credit Corporation
2333 Waukegan Road
Deerfield, Illinois 60015

A description of railcars covered by the Security Agreement is set forth in Schedule 1 attached thereto.

A check for \$15.00 payable to the order of the Interstate Commerce Commission is enclosed to cover the required recordation fee of the Loan Agreement.

Kindly return the two photostatic copies of the two enclosed documents in the envelope provided to T. Stephen Dyer, Esq., Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of each of the enclosed documents:

Primary Document. Railroad Equipment Lease, dated as of September 1, 1989, between U.S. Railcar, Inc., as Lessor and CSX Transportation, Inc., as Lessee, covering fifty-two (52) 125-ton covered coil gondola railcars described on Schedule 1 attached to the Lease.

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Secondary Document. An Assignment and Security Agreement (Non-Recourse) Agreement, dated as of September 1, 1989, between U.S. Railcar, Inc. and Deutsche Credit Corporation together with Rider to Assignment and Security Agreement (Non-Recourse), dated as of November 22, 1989 and covering fifty-two (52) 125-ton covered coil gondola railcars described in Schedule 1 attached thereto.

Please call me at the above telephone number in Chicago if you have any questions.

Very truly yours,



T. Stephen Dyer

TSD:gh

Enclosures

cc: Steven Ordaz
Robert W. Kleinman
Kelley White

ASSIGNMENT AND SECURITY AGREEMENT*
(NON-RECOURSE)

RECORDATION NO. 16630-A
NOV 28 1989 2:45 PM
COMMERCIAL COMMISSION

*This Security Agreement is being entered into to grant additional rights and to assign all rights to a certain Lease between Assignor and CSX Transportation, Inc., dated September 1, 1989, to Deutsche Credit Corporation.

FOR VALUE RECEIVED, the undersigned ("Assignor") does hereby, absolutely and unconditionally, to Deutsche Credit Corporation, its successors and assigns (hereinafter referred to as "Deutsche Credit"), pledge the lease and assign all rents, including additional rent, and other payments due, or to become due, under the annexed original copies of the equipment lease(s) and schedule(s) (hereinafter collectively referred to as the "Lease") and, described on the annexed Schedule 1 to Assignment and Security Agreement (Non-Recourse) and Schedule 1 to the Rider, which are attached and made a part of this Agreement. *[Signature]* initial

Further, in order to secure payment by Assignor of all of its obligations under a certain Non-Recourse Promissory Note of even date herewith executed by Assignor to the order of Deutsche Credit (hereinafter referred to as the "Note"); performance by Assignor of all of the obligations of Assignor contained herein, and, payment and performance by the lessee of all obligations on the part of the lessee to be performed under the Lease, Assignor grants, and by these presents does hereby grant, to Deutsche Credit a security interest in and to the Lease, all monies due, or to become due, in connection with the exercise by the lessee of an option, if any, to purchase the equipment described in the Lease, the equipment described in the Lease, and, the proceeds thereof Assignor also secures its performance of its obligations under the Repurchase and Indemnity Agreement of the same date by this Assignment and Security Agreement (Non-Recourse). *[Signature]* initial

Assignor warrants and represents that Assignor is the owner of the equipment described in the Lease and that the Lease and the equipment described therein are free, and will continue to be free, of all liens, claims and encumbrances, except for the lease and the security interest created herein, the Lease and any accompanying agreement(s) and/or guaranty(ies) (hereinafter collectively referred to as the "Lease") have been duly and properly authorized and executed by the parties thereto and are genuine, collectible and enforceable, the amount of unpaid rentals for the Lease term contained in the Lease is true and correct, the Lease is the only Lease executed concerning the equipment described in said Lease and is, and will (arising from acts or omissions of Assignor) continue to be, free from any and all counterclaims, defenses and setoffs; the Lease and the proceeds thereof have not been, and will not be (without the prior written consent of Deutsche Credit, which consent will not be unreasonably withheld) pledged or assigned to any other party, other than Deutsche Credit, all signatures, names, addresses, and other statements and facts contained in or on the Lease are true, correct and genuine, the Lease conforms to all applicable laws and regulations, the Lease is effective against all persons, the Lease evidences a valid reservation of title to, or first lien upon, the equipment, all required use and sales taxes on the Lease and rents, as of the date of this Assignment and Security Agreement (hereinafter referred to as the "Agreement") have been collected from the lessee and paid by Assignor; if filing or recording or registration of a certificate or document of title or a financing statement is required or permitted by law, such document has been so filed and recorded or registered, in a timely and proper manner, as to be effective, against all persons; the equipment leased has been delivered to and accepted by lessee in a condition satisfactory to lessee; the leased equipment has been, and is insured, by either the Assignor or lessee; if Assignor is obligated to furnish insurance on the leased equipment, then Assignor shall keep said insurance in full force and effect; Deutsche Credit is, or will be, named as loss payee on the insurance policy, and, if required by Deutsche Credit, as an Additional Insured on any public liability insurance coverage; and, Assignor has complied, and will continue to comply, with, and has performed, and will continue to perform, all of its warranties, representations and other obligations to lessee.

If, at any time in the future, it is discovered by Deutsche Credit that the Lease and/or Assignor has failed, or fails to conform, to any of the warranties and representations made to Deutsche Credit in connection with this pledge and assignment, Assignor will immediately pay off the indebtedness secured by this Agreement, and will pay therefor, to Deutsche Credit, an amount, in cash, equal to the unpaid balance owing thereon, at the time demand is made, together with accrued late charges and out of pocket expenses incurred by Deutsche Credit in connection therewith.

This Agreement is made without recourse as to the financial ability of the lessee to pay, provided, however, that nothing herein shall be deemed, intended or construed to release, or to waive, any claim, right or remedy that Deutsche Credit may have, by reason of Assignor's failure to perform its obligations under the Lease or by reason of Assignor's breach of any of the warranties or representations set forth herein, against Assignor, or by reason of Assignor's failure to perform its obligations under the Repurchase and Indemnity Agreement, against Assignor, or by reason of Assignor's breach of any of the warranties set forth in the Repurchase and Indemnity Agreement, against Assignor. *[Signature]* initial
The Assignor appoints, and by these presents does hereby irrevocably appoint, Deutsche Credit its true and lawful attorney-in-fact, coupled with an interest and with full power of substitution, to enforce the Assignor's rights and remedies under the Lease and to take any action which Deutsche Credit may deem necessary or appropriate to protect and preserve its security interest in the Lease, in the equipment described therein and the proceeds thereof Assignor has no authority to, and will not, without Deutsche Credit's prior written consent, accept collections, repossess or consent to the return of the equipment, or modify or terminate the Lease.

Deutsche Credit shall have the sole right, without notice to Assignor and without reducing Assignor's liability under this Agreement, to collect payments due, or to become due, under the Lease, and to otherwise manage, administer and enforce the Lease.

Deutsche Credit, without reducing the Assignor's liability under this Agreement, shall have the right, with notice to and the consent of Assignor (which consent will not be unreasonably withheld by Assignor), to voluntarily modify, amend or accept prepayment of the Lease, to grant any extension of time of payment, compromise or release. It being understood, by and between Assignor and Deutsche Credit, that Deutsche Credit may be compelled, involuntarily (due to an order or ruling of a state, federal or bankruptcy court), to perform one or more of the aforesaid acts and, in such event, Deutsche Credit shall notify Assignor, but the consent of Assignor shall not be required under this Agreement to perform said involuntary act.

Assignor shall pay all damages, costs and expenses, including court costs and reasonable attorney's fee, incurred or sustained by reason of any breach of this Agreement or incurred in enforcing any of the provisions hereof.

If any of the assigned monies or the equipment be received by or returned to the Assignor, the same shall be received by the Assignor in trust for the benefit of Deutsche Credit, shall be held segregated from other funds of the Assignor, in a separate account, and will be immediately delivered in kind to Deutsche Credit.

Assignor shall keep and perform all the obligations to be performed on the part of the lessor under the Lease and will save and hold Deutsche Credit harmless from any failure so to do; notwithstanding this Agreement, or any notice thereof, Deutsche Credit shall not be obligated to perform any of the obligations on the part of the Assignor arising under the Lease.

Deutsche Credit may audit the Assignor's books and records relating to the Lease and may endorse Assignor's name on any checks and other remittances received in respect to the Lease.

Assignor subordinates, and by these presents does hereby subordinate, any rights Assignor may have to any rights Deutsche Credit may now have, or hereafter may acquire, against lessee with respect to the Lease, the leased equipment or the proceeds thereof.

Deutsche Credit's waiver or failure to act, expressed or implied, in the event of any breach of any of the foregoing shall not constitute a waiver of Assignor's obligations, or of Deutsche Credit's rights, under this Agreement, the Lease, or the Note.

Assignor acknowledges receipt of a true copy of this Agreement and waives acceptance thereof. This Agreement shall be binding upon and enure to the benefit of Assignor and Deutsche Credit and their respective heirs, successors, assigns and legal and personal representatives.

Assignor warrants and represents that it has caused this Agreement, and the Note of even date herewith, to be executed by a duly authorized representative of Assignor.

IN WITNESS WHEREOF, Assignor has executed this Agreement the 22nd day of November, 19 89.

ATTEST
[Signature: Raymond B. Ballas]

ASSIGNOR.
U. S. Railcar, Inc.
By *[Signature]* PRINT
Title PRESIDENT SIGNATURE
PRINT

STATE OF ILLINOIS)
) SS.
COUNTY OF LAKE)

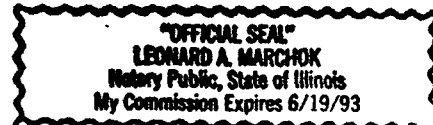
On this 22nd day of November, 1989, before me, the subscriber, LEONARD A. MARCHOK, a Notary Public, duly commissioned, qualified and acting, within and for said Country and State, appeared in person the within named HOMER JONES and N/A to me personally known, who stated and acknowledged that they are the PRESIDENT and N/A of U.S. Railcar, Inc., an Illinois corporation, and duly authorized by authority of the Board of Directors or By-Laws of said corporation in their capacity as such officers to execute and acknowledge the foregoing instrument for and in the name and on behalf of said corporation and further stated and acknowledged that they have so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said corporation, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 22nd day of November, 1989.

Leonard A. Marchok
Notary Public

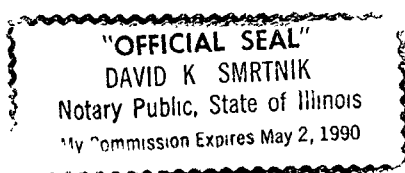
My commission expires:

STATE OF ILLINOIS)
) SS.
COUNTY OF LAKE)



On this 27th day of November, 1989, before me, the subscriber, DAVID K. SMRTNIK, a Notary Public, duly commissioned, qualified and acting, within and for said Country and State, appeared in person the within named JAMES S. POOR and ROBERT F. SCHOEN to me personally known, who stated and acknowledged that they are the Senior Vice President & Treasurer and Senior Vice President & Secretary of Deutsche Credit Corporation, a Delaware corporation, and duly authorized by authority of the Board of Directors or By-Laws of said corporation in their capacity as such officers to execute and acknowledge the foregoing instrument for and in the name and on behalf of said corporation and further stated and acknowledged that they have so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said corporation, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 27th day of November, 1989.



Notary Public

My commission expires: